

106TH CONGRESS
2D SESSION

S. 2053

To amend the Internal Revenue Code of 1986 to provide marriage tax
penalty relief for earned income credit.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 10, 2000

Mr. JEFFORDS introduced the following bill; which was read twice and
referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide
marriage tax penalty relief for earned income credit.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. MARRIAGE TAX PENALTY RELIEF FOR EARNED**
4 **INCOME CREDIT.**

5 (a) IN GENERAL.—Paragraph (2) of section 32(b) of
6 the Internal Revenue Code of 1986 (relating to percent-
7 ages and amounts) is amended—

8 (1) by striking “AMOUNTS.—The earned” and
9 inserting “AMOUNTS.—

1 “(A) IN GENERAL.—Subject to subpara-
2 graph (B), the earned”, and

3 (2) by adding at the end the following new sub-
4 paragraph:

5 “(B) JOINT RETURNS.—In the case of a
6 joint return, the phaseout amount determined
7 under subparagraph (A) shall be increased by
8 \$3,500.”.

9 (b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of
10 section 32(j) of the Internal Revenue Code of 1986 (relat-
11 ing to inflation adjustments) is amended to read as fol-
12 lows:

13 “(B) the cost-of-living adjustment deter-
14 mined under section 1(f)(3) for the calendar
15 year in which the taxable year begins,
16 determined—

17 “(i) in the case of amounts in sub-
18 sections (b)(1)(A) and (i)(1), by sub-
19 stituting ‘calendar year 1995’ for ‘calendar
20 year 1992’ in subparagraph (B) thereof,
21 and

22 “(ii) in the case of the \$3,500 amount
23 in subsection (b)(1)(B), by substituting
24 ‘calendar year 2000’ for ‘calendar year

1 1992’ in subparagraph (B) of such section
2 1.”.

3 (c) ROUNDING.—Section 32(j)(2)(A) of the Internal
4 Revenue Code of 1986 (relating to rounding) is amended
5 by striking “subsection (b)(2)” and inserting “subsection
6 (b)(2)(A) (after being increased under subparagraph (B)
7 thereof)”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2000.

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